

# Memorandum

To: Panel Members Date: September 26, 2001

From: Charles Rufo, Manager  
Peter DeMauro, General Counsel File: cctam3.130amd

Subject: Proposed Amendment No. 3 for **CCT Computer Learning Center <100**

## CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: companies w/out-of-state competition and Training in High Unemployment Areas of CA
- Legislative Priorities: Promotion of California's Manufacturing Workforce
  
- Type of Industry: Various Industries
- Repeat Contractor: No
- Union Representation: No
- Name and Local Number of Union representing workers to be Trained: N/A

## CONTRACT:

- Program Costs:
  - Present Program Costs:** \$120,160
  - Amendment Program Costs +:** \$36,000
  - Total Program Costs:** \$156,160
- Multiple Employer Support :
  - Present Contract Support ( %):** \$0
  - Amendment Support ( %):** \$0
  - Total Support :** \$0
- Substantial Contribution:
  - Present Contract Contribution:** \$0
  - Amendment Contribution +:** \$0
  - Total Contributions:** \$0
- Total ETP Funding: \$156,160
- In-Kind Contribution: \$39,600
- Maximum Contractor Charge: \$0 per trainee

- Reimbursement Method: Fixed-Fee
- County(ies) Served: Trinity
- Duration of Agreement: 24 months

### **TRAINING PLAN:**

- Average Cost Trainee: New Hire: \$0                      Retrainee: \$1,446
  - Type(s) of Training: Computer Skills
  - Number to be retained:
- |                              |             |                |
|------------------------------|-------------|----------------|
| <b>Present Contract:</b>     | New Hire: 0 | Retrainee: 77  |
| <b>Proposed Amendment +:</b> | New Hire: 0 | Retrainee: 31  |
| <b>New Contract:</b>         | New Hire: 0 | Retrainee: 108 |
- Range of hours: 40-120
  - Prevalent hourly wage: \$10.07
  - Range of hourly wages: \$10.58 to \$15.50
  - Health benefits used to meet ETP minimum wage: No

### **ACTIVE PROJECTS:**

The following are current project statistics:

Agreement No.	Term	Agreement Amount	Number To be Retained	Number Enrolled	Number Completed Training	Number Hired (Complete for new hires only)	Number retained for 90 days
ET010144	9/18/2000-9/17/2002	\$82,080	77	61*	30*		11*

\* Contractor has 61 trainees (79%) enrolled in training, 31 trainees are in training, and 30 trainees have completed training (39%). Of those who have completed training, 19 trainees are in the 90-day retention period and 11 have completed the 90-day retention period.

### **NARRATIVE:**

This project was approved by the Panel at its August 2000 meeting, and two Amendments were subsequently approved in February and April of 2001. This is a request for Phase 3 to be added to a successful Agreement.

Founded in 1997, and located in Weaverville, California, CCT Computer Learning Center provides customized on-site computer software training. The Bureau of Private Postsecondary and Vocational

**NARRATIVE: (continued)**

Education (Bureau) has approved CCT Computer Learning Center as a registered training agency for computer training.

Weaverville, located in Trinity County, is a rural community with limited resources. All of the participating employers in this program are located in Weaverville and the surrounding area, and are small businesses with fewer than 100 employees. Although these companies are small, they must be able to access and use computer technology to effectively administer their business, provide customer service, and remain competitive.

**Training in High Unemployment Areas of California:**

CCT Computer Learning Center is located in Trinity County, which is among California counties with a high unemployment rate and exceeds the state average rate by 50 percent. Based on Employment Development Department (EDD) May 2001 figures, the specific unemployment rate in Trinity County is 9.8%. The applicant is not requesting any waiver of existing ETP minimum wage policy since the wages to be paid meet the ETP minimum wage of \$10.58 for Trinity County.

**Multiple Employer Contractor Certification**

**Marketing Plan for Recruitment of Employers:**

CCT Computer Learning Center (CCT) is currently marketing the ETP program to small manufacturing companies and other small businesses (fewer than 100 employees) threatened by out-of-state competition in the rural and economically depressed regions of Shasta, Trinity, and Humboldt Counties. New employers are commonly referred to CCT by employers who have employees currently participating or have participated in ETP training. Also a local college has referred new employers to CCT since it cannot provide the current customized training.

Companies are beginning to realize that their employees must be computer literate, and have up-to-date computer skills for the companies to remain in business and be competitive. Small companies, especially in rural areas have been too slow in upgrading their employees' office automation skills. It is important to the livelihood of the rural areas for small business to remain in business and remain competitive.

**Demonstrated Employer Demand for the Requested Training:**

CCT's representative reports that there is a growing need to train workers in Trinity County in new computer technology and related skills. Phase 1 and Phase 2 of this project have been very successful. One hundred percent of the enrolled trainees are on target to complete training. The additional 30 training slots in Phase 3 of this project are requested to meet the growing needs of additional employers who wish to enroll employees.

There are thirteen participating employers in Phase 1 and 2 of this program. Boom Boom Productions, Wonder Metals, Inc., Trinity Journal, Inc., and Bio Data Herb Company, Inc. are four of the thirteen existing participating employers that have indicated the need to train an additional 30 employees in Phase 3. These companies do not have the resources to provide computer training to their employees. All of the

**NARRATIVE: (continued)**

employers certify that their employees must learn new computer technology and related skills, or new workers who can perform the skills will displace them.

**How Employer Training Needs were Assessed and Training is customized to meet the Needs of Participating Employers:**

Prior to providing training to the employees of a company, CCT Staff meets with upper management to determine what skills the employees need. Through CCT skill assessment testing, management can decide what training is needed; and then, the curriculum is developed by CCT and the employer. When composing a customized curriculum, CCT takes into consideration the employer's goals and objectives, tasks the employees perform, and computers and software available at the company location to achieve the objectives. The participating employers usually lack the trainers to provide the office automation training. All training will be delivered at the employers work site. Trainees will receive computer skills training customized for each employer in operating systems, office applications, spreadsheets, database systems, word processing, and the Internet.

**Methods Used to Ensure Continuous Employer Feedback:**

CCT obtains feedback from each employer as training is progressing. On the basis of this feedback, trainers make immediate improvements to the curricula, and for the training method to accommodate the employer needs.

CCT has had a successful relationship with the participating employers. All employers are comfortable to inform CCT staff when their training needs are not being met. CCT regularly conducts surveys with trainees and employers to insure that all training objectives and needs of the employers are met. CCT staff, in an on-going effort also discusses the progress of the employees with the supervisors of the participating employers.

**Supplemental Nature of Training:**

Each of the participating employers has certified in writing that this proposed training supplements rather than displaces any existing training they are providing, and would not occur in the form and manner described without ETP funds. Some employers currently provide training in production techniques, safety practices, leadership, teambuilding, and customer service to their employees. However, all employers lack the resources and ability to conduct the needed training in computer technology. Selected employees who need computer skills will take part in the class/lab ETP training. Based on the individual needs of each employer, future plans for training will be provided at its own expense.

**In-Kind Contribution:**

The participating employers contribute to the cost of training by paying the trainee's wages of \$19,800 while in training, and wages of \$19,800 for replacement workers while the trainees are in training. CCT may bring additional computers as needed to the employer's training site. The participating employers certify that in addition to funds from ETP, the employers will incur total in-kind costs of \$39,600 for Phase 3.

**PROPOSED ACTION:**

Staff recommends that the Panel approve this Amendment if funds are available and the project meets Panel priorities. This recommendation is based on CCT's success in serving small business needs in high unemployment areas of California, and the participating employers stated need to provide their employees with the computer skills necessary to remain competitive and continue to grow.

Training Data									Payment Schedule				
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Job #	Occupations	Type of Training	No. Retain	*Cls/Lab Video-conf. Hours	CBT Hours	** SOST Hours	Cost Per Trainee	Total SOST Trainer Hrs.	Hrs. to Enroll/ Pay 1 Enroll	*** Pay 2 Compl	*** Pay 3 Hired	Pay 4 After 90 Days	(a) Wage After Retention
1	Phase 1 - Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	6	120 / 0			\$2,400		8	\$ 600.00	\$ 1,200.00	\$ - \$ 600.00	\$9.57 - \$15.50
679		Computer Skills		120 /									
2	Order Entry Clerk, Marketing/Shipping Technician	Multiple-Employer Retrainees	5	80 / 0			\$1,600		8	\$ 400.00	\$ 800.00	\$ - \$ 400.00	\$9.57 - \$15.50
679		Computer Skills		80 /									
3	Order Entry Clerk, Marketing/Shipping Technician	Multiple-Employer Retrainees	5	40 / 0			\$800		8	\$ 200.00	\$ 400.00	\$ - \$ 200.00	\$9.57 - \$15.50
679		Computer Skills		40 /									
4	Office Worker, Supervisor	Multiple-Employer Retrainees	6	60 / 0			\$1,200		8	\$ 300.00	\$ 600.00	\$ - \$ 300.00	\$9.57 - \$16.00
679		Computer Skills		60 /									
5	Accounts Receivable/Payable Clerk, Office Clerk	Multiple-Employer Retrainees	4	56 / 0			\$1,120		8	\$ 280.00	\$ 560.00	\$ - \$ 280.00	\$9.57 - \$15.50
679		Computer Skills		56 /									
6	DELETED per Amd #1												
7	Phase 2 - Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	7	40 / 0			\$800		8	\$ 200.00	\$ 400.00	\$ - \$ 200.00	\$10.58 - \$15.50
679		Computer Skills		40 /									

\*AT training must be provided as class/lab (no videoconference).

\*\*Figures for calculation purpose only.

\*\*\*For Welfare to Work, Pay 2=50% Completion hrs. and Pay 3=100% Completion hrs.

(a) See Comment Pg. for itemized wages.

Training Data									Payment Schedule				
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Job #	Occupations	Type of Training	No. Retain	*Cls/Lab Video-conf. Hours	CBT Hours	** SOST Hours	Cost Per Trainee	Total SOST Trainer Hrs.	Hrs. to Enroll/ Pay 1 Enroll	*** Pay 2 Compl	*** Pay 3 Hired	Pay 4 After 90 Days	(a) Wage After Retention
8	Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	4	56 / 0			\$1,120		8	\$ 280.00	\$ 560.00	\$ - \$ 280.00	\$10.58 - \$15.50
679		Computer Skills		56 /									
9	Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	6	60 / 0			\$1,200		8	\$ 300.00	\$ 600.00	\$ - \$ 300.00	\$10.58 - \$15.50
679		Computer Skills		60 /									
10	Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	24	80 / 0			\$1,600		8	\$ 400.00	\$ 800.00	\$ - \$ 400.00	\$10.58 - \$15.50
679		Computer Skills		80 /									
11	Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design Technician.	Multiple-Employer Retrainees	11	120 / 0			\$2,400		8	\$ 600.00	\$ 1,200.00	\$ - \$ 600.00	\$10.58 - \$15.50
679		Computer Skills		120 /									

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(a) See Comment Pg. for itemized wages.

Training Data									Payment Schedule				
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Job #	Occupations	Type of Training	No. Retain	*Cls/Lab Video-conf. Hours	CBT Hours	** SOST Hours	Cost Per Trainee	Total SOST Trainer Hrs.	Hrs. to Enroll/ Pay 1 Enroll	*** Pay 2 Compl	*** Pay 3 Hired	Pay 4 After 90 Days	(a) Wage After Retention
Phase 3: Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design													
12	Technician.	Multiple-Employer Retrainees	10	40 / 0			\$800		8	\$ 200.00	\$ 400.00	\$ - \$ 200.00	\$10.58 - \$15.50
679		Computer Skills		40 /									
Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design													
13	Technician.	Multiple-Employer Retrainees	10	60 / 0			\$1,200		8	\$ 300.00	\$ 600.00	\$ - \$ 300.00	\$10.58 - \$15.50
679		Computer Skills		60 /									
Order Entry Clerk, Marketing/Shipping Technician, Customer Service Rep, Production Technician, Design													
14	Technician.	Multiple-Employer Retrainees	10	80 / 0			\$1,600		8	\$ 400.00	\$ 800.00	\$ - \$ 400.00	\$10.58 - \$15.50
679		Computer Skills		80 /									
<b>Contract Totals</b>													
Program Cost				\$156,160			Total to be Retained		108				
Substantial Contribution (___%)				(-)			\$0						
Multiple-Empl. Support (___%)				(+) \$0									
SET Trainee Support				(+) \$0									
SET Training Material/Program Development				(+) \$0									
TOTAL ETP Funding				(=) \$156,160									

\*AT training must be provided as class/lab (no videoconference).

\*\*Figures for calculation purpose only.

\*\*\*For Welfare to Work, Pay 2=50% Completion hrs. and Pay 3=100% Completion hrs.

(a) See Comment Pg. for itemized wages.



Turnover Rate	% of Mgrs. & Sups. to be trained		Health Benefits Inc. in Wage?	SET Trainee Support	SET Training Material/Program Development
20.0%	0.0%		No	\$0.00	\$0.00

Location of training: Training will be conducted at the employer's worksite during regular work hours.

Ratios: The ratio of trainers to trainees for class/lab training shall not exceed 1:20 for retrainees.

If Health Benefits is "YES", please explain: N/A

Other notes: N/A

Phase 2 trainees, Jobs 7, 8, 9, 10 and 11 shall not start training prior to the effective date of this Amendment No. 2 as indicated on the ETP301.

**Phase 3 trainees, Jobs 12, 13 and 14 shall not start training prior to the effective date of this Amendment No. 3 as indicated on the ETP301.**

Wage Ranges by Occupations (PHASE 2 and 3)

<u>Occupations</u>	<u>Wage following Retention</u>
Order Entry Clerk	\$10.58 - \$15.50
Marketing /Shipping Technician	\$10.58 - \$15.50
Customer Service Representative	\$10.58 - \$15.50
Production Technician	\$10.58 - \$15.50
Design Technician	\$10.58 - \$15.50